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March 22, 2016

BY ECFS

PUBLIC VERSION

Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Written *Ex Parte* Presentation, *Declaration* of Brian Lisle, Telrite Corporation, *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket Nos. 11-42, 09-197, 10-90

Dear Ms. Dortch:

Telrite Corporation dba Life Wireless (Telrite or the Company), by its undersigned attorney, hereby submits the enclosed PUBLIC declaration in support of the Lifeline Joint Commenters' comments submitted in the above-listed proceedings,¹ along with a request for confidential treatment of the materials contained in the declaration. A confidential version of the declaration has been submitted via hand delivery under separate cover.

Should you have any questions, please contact the undersigned.

Respectfully submitted,



John J. Heitmann

Joshua T. Guyan

Jameson J. Dempsey

Counsel for Telrite Corporation dba Life Wireless

¹ See *Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of the Lifeline Joint Commenters (Aug. 31, 2015); *Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket Nos. 11-42, 09-197, 10-90, Reply Comments of the Lifeline Joint Commenters (Sept. 30, 2015).

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March 22, 2016

BY HAND DELIVERY AND ECFS

Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Written *Ex Parte* Presentation, *Request* for Confidential Treatment;
Declaration of Brian Lisle, Telrite Corporation, *In the Matter of Lifeline
and Link Up Reform and Modernization*, WC Docket Nos. 11-42, 09-197,
10-90 – CONFIDENTIAL

Dear Madam,

Telrite Corporation dba Life Wireless (Telrite or the Company), by its attorneys, hereby requests confidential treatment of the enclosed Declaration of Brian Lisle (the Declaration).

The enclosed Declaration contains proprietary and confidential information. Such competitively sensitive information is exempted from mandatory disclosure under “Exemption 4” of the Freedom of Information Act (FOIA),¹ and Section 0.457(d) of the Commission’s rules.² Exemption 4 allows the withholding of commercial or financial information that is privileged or confidential.³ The confidentiality requirement is satisfied if substantial competitive injury would

¹ See 5 U.S.C. § 552(b)(4). Public disclosure is not required for “trade secrets, commercial or financial information obtained from a person and privileged and confidential.” *Id.*

² 7 C.F.R. § 0.457(d). See *National Parks and Conservation Ass’n. v. Morton*, 498 F.2d 765, 770 (D.C. Cir. 1974) (National Parks); *Southern Company Request for Waiver of Section 90.629 of the Commission’s Rules*, 14 FCC Rcd 1851, 1860 (1998) (Southern Company).

³ 5 U.S.C. § 552(b)(4).

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likely result from disclosure.⁴ Accordingly, pursuant to Section 0.459 of the Commission's rules,⁵ Telrite requests that the enclosed Declaration be withheld from public inspection.

The information for which Telrite requests confidential treatment is proprietary and competitively sensitive information.⁶ The market for Lifeline services, including the wireless services provided by Telrite, is highly competitive.⁷ The confidential Declaration reveals details about the Company's finances and cost structure, the disclosure of which would cause great harm to Telrite.⁸ The Company derives independent economic value from the fact that significant, detailed proprietary information regarding Telrite's costs is unknown to its competitors.⁹ Moreover, failure to treat Telrite's business and financial information as confidential would provide competitors with an unfair competitive advantage by being granted access to the Company's proprietary information.¹⁰ The information contained in the enclosed Declaration is provided only to those employees and contractors that require such information to perform the requirements of their duties to Telrite¹¹ and is not ordinarily made available to the public by the Company.¹² Telrite requests that the enclosed Declaration not be made routinely available for public inspection at any time.¹³

⁴ *Public Citizen Research Group v. FDA*, 704 F. 2d 1280, 1290-91 (D.C. Cir. 1983) (“*Public Citizen*”).

⁵ See 47 C.F.R. § 0.457 and 47 C.F.R. § 0.459.

⁶ See 47 C.F.R. § 0.459(b)(3).

⁷ See 47 C.F.R. § 0.459(b)(4).

⁸ See 47 C.F.R. § 0.459(b)(5).

⁹ *Id.*

¹⁰ *Id.*

¹¹ See 47 C.F.R. § 0.459(b)(6).

¹² See 47 C.F.R. § 0.459(b)(7).

¹³ See 47 C.F.R. § 0.459(b)(8).

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Please direct any questions as to this matter, including the request for confidential treatment, to the undersigned.

Respectfully submitted,



John J. Heitmann

Joshua T. Guyan

Jameson J. Dempsey

*Counsel to Telrite Corporation dba Life
Wireless*

Enclosure

In the Matter of)	
)	
Lifeline and Link Up Reform and)	WC Docket No. 11-42
Modernization)	
)	
Telecommunications Carriers Eligible for)	WC Docket No. 09-197
Universal Service Support)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
)	

1. My name is Brian Lisle and I am the President of Telrite Corporation dba Life Wireless (Life Wireless). My business address is 1480 Terrell Mill Road, SE, Suite 104, Marietta, Georgia 30067. My job responsibilities include managing all matters that affect Life Wireless before federal and state regulatory agencies and legislative bodies, including the Federal Communications Commission (FCC or the Commission), in addition to overseeing negotiations of our wholesale agreements with our underlying carrier and pricing for our Lifeline-supported wireless service plans.

2. Life Wireless is a resale wireless service provider and competitive eligible telecommunications carrier (ETC) that provides affordable service to low-income consumers with the assistance of the Commission's Lifeline program. The purpose of this declaration is to support the Lifeline Joint Commenters' comments, filed in the above-captioned dockets, in response to the Commission's Second Further Notice of Proposed Rulemaking¹ to modernize the Lifeline program and its draft proposal—outlined in a March 8, 2016 fact sheet—to require

¹ See *Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket Nos. 11-42, 09-197, 10-90, Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, FCC 15-71, (rel. June 22, 2015) (Second FNPRM); see also *Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of the Lifeline Joint Commenters (Aug. 31, 2015); *Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket Nos. 11-42, 09-197, 10-90, Reply Comments of the Lifeline Joint Commenters (Sept. 30, 2015).

3. In the Second FNPRM, the Commission referenced studies showing that average voice minutes of use per month are between 644 and 746 minutes.³ For purposes of this declaration, I assume that on average unlimited-minutes customers will use the average number of minutes—i.e., approximately 700 minutes per month.

4. Based solely on our per-minute cost of [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] from our underlying provider, the network cost to provide 700 minutes would be [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] per month, which is greater than the \$9.25 per month Lifeline reimbursement. [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL]

[REDACTED] [END
CONFIDENTIAL]

5. Therefore, based solely on our per-minute network cost (without taking into account our fixed recurring and non-recurring costs, which are substantial), Life Wireless cannot provide unlimited minutes each month to Lifeline customers without requiring them to make a monthly co-payment for the service.

6. Based solely on our per-MB cost of [BEGIN CONFIDENTIAL] [END CONFIDENTIAL] from our underlying provider, the network cost to provide 500 MB would be [BEGIN CONFIDENTIAL] [END CONFIDENTIAL], which is greater than the \$9.25 per month Lifeline reimbursement. [BEGIN CONFIDENTIAL] [END CONFIDENTIAL]

[END CONFIDENTIAL]

7. Therefore, based solely on our per-MB network cost (without taking into account our fixed non-recurring and recurring costs, which are substantial), Life Wireless cannot provide 500 MB of data each month to Lifeline customers without requiring them to make a monthly co-payment for the service.

² See Chairman Wheeler & Commissioner Clyburn Propose Rules to Modernize Lifeline Program to Provide Affordable Broadband for Low-Income Americans (rel. March 8, 2016), *available at* http://transition.fcc.gov/Daily_Releases/Daily_Business/2016/db0314/DOC-338113A1.pdf (last visited Mar. 20, 2016).

³ See Second FNPRM, ¶ 40 (citing Nielsen, Mobile Consumer Report 2013 at 19, <http://www.nielsen.com/content/dam/corporate/uk/en/documents/Mobile-Consumer-Report-2013.pdf> and *17th Annual Report and Analysis of Competitive Market Conditions With Respect to Mobile Wireless, Including Commercial Mobile Service*, 29 FCC Rcd 15311, 15347, Chart II.C.1.).

I assert under penalty of perjury that the foregoing is true and correct to the best of my information and belief. This concludes my declaration.

Telrite Corporation dba Life
Wireless

By:


Brian Lisle
President

Executed on March 22, 2016